## REMARKS

Claims 1-30 and 32-37 are pending in this application, of which Claims 1, 23, and 32-37 are independent. Claims 26, 27, 36 and 37 have been amended.

Applicants note with appreciation the allowance of Claims 1-30 and 32-35.

Claim 31 was rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. Without conceding the propriety of this rejection, Applicants have canceled Claim 31 in an effort to facilitate early passage to issue of this case.

Claims 36-39 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

With regard to Claims 36 and 37, the Office Action states that the terminology "computer program product" alone has no set definition. Applicants have amended the preamble of Claim 36 to recite "A computer program product embodied in a computer-readable medium, the program product embodying a program for implementing an image processing method for encoding and decoding an image, the program comprising:", as kindly suggested by the Examiner. A similar amendment has been made to Claim 37.1/

Without conceding the propriety of the rejection with respect to Claims 38 and 39, cancellation of Claims 38 and 39 renders the rejection thereof moot.

In view of the foregoing amendments and remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application.

<sup>1/</sup>In a telephone conference one of Applicants' attorneys had with the Examiner on April 4, 2005, the Examiner gave his tentative approval of the amended claim language with respect to Claims 36 and 37.

Applicants' undersigned attorney may be reached in our New York office by telephone at (212) 218-2100. All correspondence should continue to be directed to our below listed address.

Respectfully submitted,

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